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Summary record of the 67th meeting
Held at Headquarters, New York, on Friday, 7 July 2006, at 3 p.m.

Chairman: Mr. Ashe ..... (Antigua and Barbuda)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Saha

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06-42004 (E)

Election of the Chairman and officers for the sixty-first session of the General Assembly

Completion of the work of the Fifth Committee at the second part of the resumed sixtieth session of the General Assembly

The meeting was called to order at 3.15 p.m.

Agenda item 46: Integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic, social and related fields (*continued*)

Agenda item 118: United Nations reform: measures and proposals (*continued*)

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Agenda item 136: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

Investing in the United Nations: for a stronger Organization worldwide: detailed report (*continued*) (A/C.5/60/L.67)

Draft resolution A/C.5/60/L.67

1. *Draft resolution A/C.5/60/L.67 was adopted.*

2. **Mr. Hill** (Australia) said that the draft resolution contained important conclusions regarding improved management in the Organization for more efficient delivery of United Nations programmes and services. The establishment of a post of Chief Information Technology Officer and the introduction of a next-generation enterprise resource planning (ERP) system were challenging but necessary steps to achieve contemporary standards of management. The adoption of International Public Sector Accounting Standards (IPSAS) also contributed to that goal, and the limited budgetary discretion to be given to the Secretary-General, though modest, was also a step in the right direction. His delegation was also pleased that the Secretary-General was to draw up a single comprehensive annual report.

3. While the decisions in the current draft resolution were significant enough for his delegation to join the consensus, it was important to acknowledge that urgent measures had not been taken in some areas: the Committee had not acted to establish more independent oversight of operational and financial matters or to establish posts for staff whose specific purpose would be to ensure that resources for development, peacekeeping and other United Nations activities were not lost through questionable procurement practices. The Member States had therefore missed opportunities to address outside criticism by demonstrating their commitment to independent oversight and procurement reform.

4. However, the current decisions constituted a further step in a process that was necessarily an ongoing one. His delegation looked forward to making more progress at the sixty-first session in ensuring that the Secretariat better fulfilled the intentions of the Member States. Accountability was vital in that regard: the Member States must hold the Secretariat properly accountable for service delivery. The General Assembly must not seek to pass on to the Secretariat the task of determining what levels and methods of accountability were appropriate, and what the consequences of failing to deliver should be. Member States would begin to meet their own responsibilities when they held the Secretariat accountable for outcomes rather than processes.

5. **Ms. Pehrman** (Finland), speaking on behalf of the European Union; the acceding countries Bulgaria and Romania; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Serbia; and, in addition, the Republic of Moldova and Ukraine, said that the initial management reform measures provided a useful basis for transforming the United Nations into a more efficient and accountable organization, as agreed by Heads of State and Government at the 2005 World Summit. The establishment of the post of Chief Information Technology Officer would help to build an effective information and communication management strategy for the entire Secretariat; the replacement of the Integrated Management Information System (IMIS)

with a modernized enterprise resource planning (ERP) system would provide a high degree of transparency and accountability; and the adoption of International Public Sector Accounting Standards (IPSAS) would improve the management of assets. The European Union looked forward to receiving more information on the policy for public access to United Nations documentation to make the Secretariat more open, transparent and accountable; to the issuance of a comprehensive annual report containing both financial and programme information; and to the implementation of the ongoing procurement reform.

6. The Committee had agreed to give the Secretary-General limited discretion in budgetary implementation under experimental arrangements much narrower in scope than those which the European Union had favoured. While it would have preferred to go substantially further and respond more directly to the Secretary-General's proposals, thereby enabling the Secretariat to react more swiftly to changing needs and events, it recognized that more work was required to build strong support for greater discretion and to allay other States' misgivings. In view of the modest scale of the mechanism currently provided for, the European Union expected the Secretariat to take full advantage of it by actively identifying potential efficiencies and offsets rather than simply waiting to see whether savings arose or whether vacant posts were filled less quickly than anticipated. It hoped that a swift and efficient procedure could be established for obtaining the necessary concurrence of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) for discretionary expenditure of sums of over $6 million, so that that requirement would not prove an onerous burden and a disincentive for the Secretariat.

7. Furthermore, the European Union assumed that the experimental mechanism would not involve direct or indirect costs beyond the budget resources initially agreed at the outset of each biennium. It expected the Secretary-General to continue to use the 50-post redeployment experiment to the full for the remainder of the current biennium, in parallel with the new experiment, and hoped that the report on the former, to be considered at the sixty-second session, would demonstrate active and successful use of that form of redeployment, thereby promoting more understanding of its practical benefits to the Organization.

8. The European Union shared the Secretary-General's view that reform was a process rather than an event. Acknowledging that much remained to be done, it looked forward to discussing at the sixty-first session, issues of governance, oversight and accountability, human resources management, procurement reform and the consolidation of peacekeeping accounts.

9. **Mr. Ozawa** (Japan) said that the current draft resolution, the result of lengthy negotiations conducted in a spirit of compromise, was one part of a continuous endeavour to improve management at the United Nations. His delegation had joined the consensus on it, while recognizing that issues such as procurement and the terms of reference of the Independent Audit Advisory Committee required further work at the sixty-first session in order to make the Organization more effective.

10. **Ms. Soni** (Canada) said that Canada was committed to the undertakings made at the 2005 World Summit. While the current draft resolution was not perfect, it had been the product of consensus and had enabled the Member States to further the process of management reform. However, her delegation was concerned at the lack of agreement on arrangements to make the Office of Internal Oversight Services (OIOS) operationally independent. Moreover, as her delegation had favoured giving the Secretary-General the managerial discretion he needed to ensure that the Organization could respond swiftly to changing needs, it was disappointed that the limited discretion provided for in the draft resolution was narrower than what the Secretary-General had requested. Although the General Assembly had decided that the experiment involving the discretionary redeployment of up to 50 posts should not continue beyond the current biennium, the Secretary-General should not abandon that method of flexibility. Canada looked forward to the report on the implementation of flexibility, to be submitted at the sixty-second session.

11. **Mr. Berti Oliva** (Cuba) said that, although his delegation welcomed the joint efforts of the Member States in adopting the draft resolution, it regretted that the late issuance of documents had left the Committee too little time to discuss management reform appropriately. It hoped that delegations would refrain in the future from including in draft resolutions issues which were extraneous because they were not scheduled for action by the Committee. The issue of ensuring the operational independence of OIOS was scheduled for in-depth discussion at the sixty-first

session. There should be no attempts to induce the Committee to take decisions that were not based on adequate information or to use its reform resolutions to promote unrelated political agendas.

12. **Mr. Hussain** (Pakistan) said that the adoption of the current draft resolution had marked the return of the spirit of consensus and proved that impositions and preconditions only derailed negotiations and undermined the climate of amity. The Committee must agree to avoid the discord of the recent past. The spending cap was an aberration whose removal had restored vigour to the Committee's work. His delegation supported efforts to make the Organization strong, effective and democratic and particularly hoped that reform would ensure timely and rapid reimbursement to troop-contributing States. Noting the repeated warnings that lack of flexibility stood in the way of effective United Nations action, his delegation hoped that the tools newly placed at the disposal of the Secretary-General would improve the situation and enable the Member States to hold the Secretariat fully accountable for the use of resources.

Agenda item 122: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Questions deferred for future consideration (A/C.5/60/L.64)

Draft decision A/C.5/60/L.64

13. *Draft decision A/C.5/60/L.64 was adopted.*

14. **Ms. Lock** (South Africa), speaking on behalf of the Group of 77 and China, said that she wished to state for the record that, as previously agreed, the deferral of the Committee's consideration of the Secretary-General's proposals on financial management practices (A/60/846/Add.3) pertained only to those proposals to which the Committee had collectively decided to revert at the sixty-first session. The proposals in question were listed in section VII of draft resolution A/C.5/60/L.67.

15. At the Committee's 65th meeting, the Group had requested that the Committee should revert, at the sixty-first session, to the Secretary-General's proposals on procurement reform (A/60/846/Add.5). It also expected that the Secretariat would be able to submit additional information in response to section V of General Assembly resolution 60/260 and that the question of administration of justice, including the report of the redesign panel on administration of justice, would be taken up again, in view of its importance for strengthening human resources management.

16. **Mr. Aljunied** (Singapore) reiterated the request he had made at the Committee's 65th meeting, for the Under-Secretary-General for Management to provide more comprehensive information, at the sixty-first session, on the Deloitte report relating to procurement. He asked for a status report on that request.

17. **Mr. Sach** (Controller) replied that there would be a follow-up briefing on the matter at the sixty-first session. As the Under-Secretary-General for Management had given the original briefing, it was expected that he would be available for the follow-up briefing.

Election of the Chairman and officers for the sixty-first session of the General Assembly

18. **The Chairman**, recalling the decision of the General Assembly, at its 89th plenary meeting regarding postponement of the election of the Chairman and officers of the Fifth Committee for the sixty-first session of the General Assembly (A/60/PV.89) and rules 99 (a) and 103 of the rules of procedure, as amended by General Assembly resolutions 56/509 and 58/126, respectively, said that the Committee would proceed to the election of its officers for the sixty-first session of the General Assembly.

19. Mr. Yousfi (Algeria) had been nominated for election to the office of Chairman for the sixty-first session. In the absence of further nominations and in accordance with rule 103 of the rules of procedure, he would take it that the Committee wished to elect Mr. Yousfi (Algeria) Chairman.

20. *Mr. Yousfi (Algeria) was elected Chairman by acclamation.*

21. **The Chairman** said that the Group of Western European and Other States and the Group of Eastern European States had nominated, respectively, Mr. Mitsopoulos (Greece) and Mr. Mammadov (Azerbaijan) for the posts of Vice-Chairmen and the Group of Latin American and Caribbean States had nominated Mr. Simancas (Mexico) for the post of

Rapporteur. The election of the Vice-Chairman from the Group of Asian States would be held at a subsequent meeting of the Committee.

22. *Mr. Mitsopoulos (Greece) and Mr. Mammadov (Azerbaijan) were elected Vice-Chairmen and Mr. Simancas (Mexico) was elected Rapporteur by acclamation.*

Completion of the work of the Fifth Committee at the second part of the resumed sixtieth session of the General Assembly

23. After an exchange of courtesies, in which **Ms. Lock** (South Africa), on behalf of the Group of 77 and China, **Ms. Udo** (Nigeria), on behalf of the African Group, **Ms. Aghajanian** (Armenia), on behalf of the Group of Eastern European States, **Mr. Torrington** (Guyana), on behalf of the Rio Group, **Mr. Berti Oliva** (Cuba), **Mr. Mumbey-Wafula** (Uganda) and **Mr. Elnaggar** (Egypt) took part, **the Chairman** declared that the Fifth Committee had completed its work for the second part of the resumed sixtieth session of the General Assembly.

The meeting rose at 4.25 p.m.